THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (DR. ABRAR (a) and (b) The Boards of Directors of the nationalised banks are continuing entities and vacancies that arise are filled up from time to time. At present there are 85 non-official directors in position on the boards of 19 nationalised banks. These directors were appointed in Sep. temper-October, 1989 for a tenure of three years. Although their tenure has expired they are continuing pending appointment of their successors as per the provisions of the statutes. Government have already initiated necessary steps for filling up existing vacancies and for replacing non.official directors now in position.

Increase in Black money in the country

2083. SHRI KRISHAN LAL SHARMA: Will the Minister of FINANCE be pleased to state:

(a) wheher it is a fact that black money to the tune of Rs. 50 to 60 thousand crores is being generated in the country every year;

(b) whether it is also a fact that one of the reasons of generation of black money is the high rate of taxation; and

(c) if so, the details of steps Government contemplate to utilise it in productive projects and to check its generation in the country?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKHAR MURTHY): (a) National Institute of Public Finance and Policy had conducted a study and made a report under title "Aspects of Black Economy in India". In this report the black money generated in the year 1983-84 was estimated between Rs. 31,584 crore to Rs. 36,786 crore. The estimate was based on a number of assumptions and approximations. Thereafter, no authentic study seems to have been made in this regard and, therefore, it is not possible to furnish a correct figure of black money generated in the country every year.

(b) The aforesaid study had listed a number of factors leading to generation of black money and these included high rate of taxation also.

(c) ombating tax vasion and curbing the generation of black money are continuous processes inherent in any economy. The Government has been taking necessary legislative, fiscal and administrative measures as deemed appropriate, from time to time to curb the generation and growth of black money. Rate of taxation has been progressively reduced an slabs of income have been progressively rationalised. This has also been done in the Budget presented by the Finance Minister in Parliament on 28-2-1994. At the same time, Income-tax Act, 1961 contains a number of provisions aimed at curbing the generation of black money. These include inter alia provisions regard ing compulsory maintenance and audit of accounts in appropriate cases under sections 44AA and 44AB, restrictions on cash transactions under sections 40A(3), 269SS and 269T, pre-emptive purchase of properties under Chapter XXC and provisions regarding penalties and prosecutions for punishing tax defaulters. The Act also contains provisions regarding summons, surveys, searches and other investigations to detect tax evasion. These provisions are resorted to in appropriate cases of tax evasion.

Transfer of woman assistant Collector of Madras Customs

2084. SHRI N. E. BALARAM: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that a woman Assistant Collector of Malras Customs was transferred after two M.Ps had complained to him about her discourteous behaviour to them: